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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

2015 MAY 28 PM 1 14

U.S. BANKRUPTCY COURT
Sierra Resource Group, Inc.
MARY A. SCHOTT, CLERK

) Case No. BK-S-15-11426---ABL

) Chapter 11

) Date: May 28, 2015

Debtor.

SUMMARY OF THE PLAN OF REORGANIZATION

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The purpose of the Plan is to provide the Debtor with a structure that can be supported by cash flows from the sale of their mining claims in combination with their business shift to better exploit their core competency as a provider of mine management, acquisition and permitting services company. The Debtor believes that the reorganization contemplated by the Plan is in the best interests of their Creditors. If the Plan is not confirmed, the Debtors believe that they will be forced to either file an alternate plan of reorganization or liquidate under Chapter 7 of the Bankruptcy Code. In either event, the Debtor believes that the Debtors' Unsecured Creditors would realize a less favorable distribution of value, or, in certain cases, none at all, for their Claims and Interests.

Overall Structure of the Plan

The Plan calls for the execution of a definitive agreement between the Debtor, Sierra Resource Group, Inc., and Orotecno S.A. ("OROT"). The definitive agreement would provide for OROT to acquire 100% interest in the Debtor's mining claims known as the Chloride Copper Mine ("Mine") in exchange for a sum of one million one hundred dollars (\$1,100,000); one hundred thousand dollars (\$100,000) to be paid at closing and \$1,000,000 paid over a 24 month period from the revenues of the mine after production begins. The definitive agreement will also provide for the execution of an Operations Agreement between OROT and the Debtor which allows the Debtor to remain as the operator of the mine and to assist OROT in the renovation, build out and permitting necessary to bring the mine back into production. OROT recognizes and values the efforts of the Debtor over the last several years to develop the necessary plans and relationships to execute on the ultimate goal of producing copper at the Mine. The Operations Agreement will provide the Debtor with the ability to generate revenues through the application of a fee percentage tied to the costs to bring the mine into production through its subcontracting efforts. The Debtor will also be provided with an earned interest of up to 5% of the mine which will be further defined in the Operations Agreement. The Debtor has received an executed Letter of Intent ("LOI") from OROT (see Attachment "A").

OROT is an Ecuador corporation. The purchase of the mine would flow through its wholly owned subsidiary, M& C Metals Corp, a Delaware Corporation. OROT is an owner of four precious metal mines in Ecuador and is the 3rd largest exporter of precious metals in Ecuador with sales (exports) of over eighty million dollars (\$80,000,000) in the previous six months. OROT has provided the Debtor with proof of funds necessary to execute on this plan (see Attachment "B").

The Debtor was formed in 2010 with the acquisition of the Mine and with the specific objectives of obtaining permitting and bringing the Mine back into production. Since acquiring the Mine, the Debtor has performed a multitude of tasks including assembling

and compiling the past work completed, reviewing the reserves/resources calculations, permitting and production planning. In 2012, Paul C. Rizzo Associates, Inc. ("Rizzo") completed a review of resources and a Preliminary Process Design. Beginning in 2012, the Debtor worked directly with the Kingman Office of the Federal Bureau of Land Management ("BLM") in order to secure the regulatory approvals necessary to begin the renovation and build out of the existing facility and recommence copper cathode production at a proposed annual production rate of 4 to 5 million pounds of SX/EW copper cathode. In 2013, the Debtor transitioned the Engineering and Permitting work from Rizzo to CDM Smith ("CDM"). The Debtor developed a strong relationship with CDM since their engagement which resulted in the approval of the Mine Plan of Operation, Reclamation Plan, Rights of Way and the Environmental Assessment/Finding of No Significant Impact ("FONSI") by the BLM in February 2014. These approvals allow for the immediate commencement of renovation and build out activities once funding is available. Extensive progress has been made to secure the remaining permits in coordination with CDM and the appropriate State of Arizona agencies. These permits consist of the Aquifer Protection Permit and the CAA Air Quality Permit. Both are not necessary to begin renovations, but must be in place prior to first production which their completion is not anticipated to cause any delays. Since the Mine's acquisition by the Debtor, the Debtor's current Management and Board of Directors have not taken any compensation but have contributed substantial non-recoverable personal funds to the Debtor in order for the Debtor to continue to move forward and eventually bring value to all of the Debtor's stakeholders.

The Debtor is working with CDM to provide total services for the complete restart of the Chloride Copper Mine including Federal and State Permitting, civil design and construction of a new heap leach pad, PLS ponds, raffinate pond, storm water runoff pond, refurbishment of the existing plant and equipment as well as geological work. The Debtor and CDM have also identified candidates to run the day to day operations of the renovations and production of the Mine with Debtor's oversight and currently have an available qualified candidate for the top front line management position.

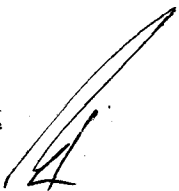
CDM Smith has extensive experience providing total solutions for the mining industry, focusing on life-of-mine services. CDM projects have included mine dumps; watershed assessments; acid mine drainage; and closures of landfills, open pits, and adits. They have specialists in fate and transport of mining waste, human and ecological risk assessment, and remedial measures. CDM also has designed and built some of the largest and most innovative water treatment systems in the world. They have also supported ongoing mine infrastructure projects for both mine and mill operations and can design, construct, or close mine facilities.

For more than 65 years, CDM Smith has provided a full range of innovative solutions to clients worldwide, including progressive planning, environmental evaluation, engineering, design, consulting, program management and construction management. Projects range from small, short-term solutions to complex, ongoing environmental and

industrial treatment, infrastructure and facility projects. CDM Smith currently manages more than \$30 billion in construction projects worldwide.

OROT is looking to the Debtor to continue the strong working relationship and existing strategic work performed to spearhead their efforts to bring the Mine back into production. The Debtor plans to use its work experience to bring the Mine in to production and to offer mine management, acquisition and permitting services to other similar mines throughout the United States as well as South America. The Debtor through its relationship with OROT as well as relationships existing Directors of Sierra have throughout South America will provide for additional future revenue opportunities for the Debtor.

The Debtors believe that the Plan provides the best and most prompt possible recovery to Holders of Claims and Interests. Under the Plan, Claims against, and Interests in, the Debtors are divided into different Classes. Under the Bankruptcy Code, claims and equity interests are classified beyond mere "creditors" or "shareholders" because such entities may hold claims or equity interests in more than one class. For purposes of this disclosure Statement, the term "Holder" refers to the holder of a Claim or Interest in a particular Class under the Plan. If the Plan is confirmed by the Bankruptcy Court and consummated, on the Effective Date or as soon as reasonably practicable thereafter, the Debtors will make distributions in respect of certain Classes of Claims and Interests as provided in the Plan.



Barton Buonan, CFO
Sierra Resource Group, Inc.